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LB 1234

SPEAKER KRISTENSEN: Senator Schrock.

SENATOR SCHROCK: Mr. Speaker, members of the Legislature, I rise to oppose the bracket motion. I'd like to respond to some of the issues Senator Chambers brought up. First of all, I think the statement was made that this may increase the price of gasoline to the consumers in this state. The history in the state of Minnesota says the introduction of the ethanol mandate there, and that's not what we're doing here, that's not what we're doing with...they believe it has brought down the price of gasoline a penny to a penny and a half in that state and it's cheaper because of it. And the reason it's cheaper is because they're using 85 octane gasoline and blending it with ethanol. The 85 octane gasoline is cheaper than 87 octane gasoline from the refineries. And so the history in the state of Minnesota, it has actually brought down the price of gasoline to the consumers in the state of Minnesota. I will tell you that we can get figures from the state department from Nebraska that will say that last year the wholesale price of ethanol blended gasoline was 1.1 cent cheaper per gallon than regular unleaded. And yet most of you know that when you go to buy gasoline the ethanol is usually priced the same or it's priced higher and that's because a lot of times the retailer thinks it's a superior product because it's higher octane and they'll put a higher price on it when actually their profit is bigger on that. We import 55 percent of the petroleum into this country. I think it's prudent that we try to become a little more self-reliant on the energy that we use. As far as the Iowa issues, Senator Chambers, whether we pass this bill or don't pass this bill I think they'll pass similar legislation in Iowa. Now under this bill, a service station could sell an 87 octane ethanol blend and they can sell an 87 regular unleaded product. So I don't think we're taking away the choice of the consumer. Right now when I go to a service station, I may not have a choice because in 38 percent of the service stations in the state of Nebraska they don't even offer ethanol. And I think one of the most disturbing things to me is when I drive home about a month ago I hear on the radio, buy our gas because there's no alcohol in it. And they're inferring to the public that there's something wrong with gasoline that has ethanol in it when actually every time you add alcohol to gasoline it increases the octane, it makes it cleaner burning, it's good for